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C O N F I D E N T I A L SECTION 01 OF 03 DUBAI 004348

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TAGS: <u>EAIR PINS TSPA EINV IR AE</u>
SUBJECT: AIRPORTS IN THE EMIRATES - SHARJAH, RAS AL-KHAIMAH, AND FUJAIRAH

REF: DUBAI 04121

CLASSIFIED BY: Jillian L. Burns, Acting Consul General, Dubai,

UAE.

REASON: 1.4 (b), (d)

- 1.(SBU) SUMMARY: Poleconoff met with the directors of Ras al-Khaimah, Sharjah, and Fujairah airports during June to discuss the airports' operations and expansion plans. UAE immigration uses iris scanning at all three airports. Sharjah airport's expansion is driven by the success of Air Arabia. Ras al-Khaimah airport's expansion plans have been scaled back, and Ras al-Khaimah Airways provide most airport services. Fujairah airport is a hub for US Navy logistic flights in the region. It is the first UAE airport to use biometrics for personnel to gain airside access. End Summary.
- 2.(SBU) Poleconoff met with the directors of Ras al-Khaimah, Sharjah, and Fujairah airports during June to discuss the airports' operations and expansion plans. The directors of the three airports said they were looking for niches in the UAE aviation sector. All three of the directors recognized that their airports could not compete directly with Dubai International for business, but they could offer alternatives, especially in the sphere of air cargo.

Iris Scanners

3.(C) The three airport directors confirmed that UAE immigration used iris scanning equipment at each of their airports. The use of the iris scanning equipment was completely under the control of immigration, not the Airport authorities. The airport directors had observed that nearly all arriving passengers from India, Pakistan, and the central Asian republics were subject to iris scanning, while passengers from western Europe are scanned randomly.

Sharjah Airport

4.(SBU) Dr. Ghanem al-Hajri, the director general of Sharjah's Department of Civil Aviation and Sharjah Airport Authority discussed current operations and expansion plans with poleconoff during a meeting on June 20 (reftel). Of the three airports visited, Sharjah is by far the busiest in terms of passenger and cargo traffic.

- 5.(SBU) Driven by the success of the Sharjah based low-cost carrier Air Arabia (owned by the Sharjah government), Sharjah Airport Authority (SAA) is renovating and expanding the passenger terminal areas to accommodate eight million passengers a year. (Current capacity is three million per year.) This upgrade, the first to the airport's terminals since they were built in the late 1970s, is scheduled for completion in 2006. The SAA has a master plan for future expansion, but will implement parts of the plan when passenger traffic increases beyond eight million per year. SAA is also building a new hanger for Air Arabia. Al-Hajri hopes Air Arabia will move all of its maintenance from Abu Dhabi airport to Sharjah when Air Arabia occupies the hanger.
- 6.(U) Apart from Air Arabia, Sharjah airport is primarily a cargo airport, with Lufthansa the primary cargo airline. The airport is Lufthansa's second largest cargo hub after Frankfurt. Most of the cargo handled in Sharjah is transit cargo. Al-Hajri said that SAA would like to see more cargo originating in or destined for Sharjah and the UAE.
- 7.(SBU) Al-Hajri said that general aviation does not operate at Sharjah airport. A number of flight schools and fixed base operators had approached SAA with hopes of operating at Sharjah, but al-Hajri would not permit it. He is concerned that light aircraft, especially those with inexperienced pilots, would present too great of a hazard to passenger and cargo airliners.

Ras al-Khaimah Airport

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8.(C) Mohamed S. al-Khadar, Director of Civil Aviation for Ras al-Khaimah (RAK) discussed expansion plans for RAK airport with Poleconoff on June 19. He termed the current plan as rather modest. Previously, some of RAK's leaders, who al-Khadar would not name, had decided to expand the airport to more than double its present size. Al-Khadar said they had been influenced by developers. After substantial internal debate, RAK's leaders accepted an affordable plan that fit with reduced but more realistic projections of traffic growth.

RAK Operations

- 9.(U) At present there are 47 licensed companies at RAK airport, of which 31 of them are aircraft operators including airlines, such as Gulf Air, Indian Airlines, Z Airways, Tajikistan Airlines, and Jupiter Airlines. The airport handles about 250-300 flights per month with scheduled service between RAK and India, Iran, Iraq, and Bangladesh. 85 percent of the flights are cargo flights.
- 10.(C) One of the newest companies to start operating at RAK is Supreme Foods International, a Swiss company. Supreme Foods is under contract to supply food to US forces in Afghanistan. It recently started flying two flights per day, using Antonov An-12s, from RAK to Afghanistan.

Service to Qeshm Island, Iran

11.(SBU) Al-Khadar commented that Tajikistan Airlines daily flights to Iran's Qeshm Island were a good source of revenue for the airport. He referred to the flight as the "visa run." Virtually all of the passengers take the flight so they can reenter the UAE and get a new visa. The airport gets AED 30 per passenger as a departure fee, and the passengers are not expecting any services from the airport. He mentioned that the passengers rarely disembark on Qeshm. Al-Khadar would like to see aircraft larger than Tupolov Tu-134s used, as a larger plane

would mean more revenue for the airport.

Aircraft Storage

12.(SBU) RAK airport also earns money by allowing the storage of aircraft at the airport. Currently, there are about ten planes in storage, including Boeing 747s, Ilyushin IL-76s, and a Gulfstream G-1 (reftel). Al-Khadar said that the region needs a storage facility like Mojave airport in California, but readily admits that RAK airport doesn't have the space to become a major storage site.

Ras al-Khaimah Airways To Provide Ground Services

- 13.(SBU) The RAK government is establishing Ras al-Khaimah Airways, which will be based at RAK airport. RAK Airways plans to start operations with eight aircraft and fly to destinations in the Middle East, India, and Africa. Al-Khadar hopes that RAK Airways will bring enough new traffic to RAK that the airport will be able to justify building a hotel and restaurant. Even though the airline is not yet operational, it has been awarded the contracts to provide catering, ground handling, emergency services, and other unspecified functions at RAK airport.
- 14.(U) An Indian company will be opening a flying academy at RAK airport in the coming year. According to al-Khadar, the academy will offer a full range of training, from basic flight training to advanced pilot ratings.

Ras al-Khaimah Spaceport

15.(C) Space Adventures is proposing to build a spaceport at RAK airport, and offer suborbital commercial space flights. Al Khadar downplayed the proposal and was skeptical about the project's completion. If it opened, it would draw tourists to RAK, but he didn't think it would have much of an effect on RAK airport. Al-Khadar said the spaceport project required 30 million dollars to start up. Only after Space Adventures raises USD 15 million will the government of RAK match that with USD 15 million. Comment: Space Adventures' website lists the overall project cost as USD 265 million and does not indicate when the

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RAK spaceport might be go into operation. End Comment.

16.(SBU) The "space" flights will be launched from a conventional airplane, thus, no special facilities need to be built at the airport. Space Adventures would have a separate area of the ramp for their operations. Al-Khadar added that if Space Adventures start flying from RAK, they will need to coordinate every flight with the UAEG and neighboring countries, especially Iran.

Fujairah Airport

17.(C) Dr. Khaled al-Mazroui, the general manager of Fujairah airport spoke with Poleconoff on June 26. Al-Mazroui is seeking increased business for Fujairah airport, but he has no illusions that it will become a major regional airport. The airport primarily handles cargo and chartered passenger flights. The airport has plans for limited expansion and improvement of the passenger terminals. Only Indian Airways has scheduled flights into Fujairah. The US Navy uses Fujairah as a regional logistics hub.

US Navy - A Welcome Tenant

18.(C) Al-Mazroui commented several times that he had an excellent working relationship with the US Navy. He considered them a good tenant and hoped they would continue using Fujairah. He would be happy if they expanded their operations.

Aircraft Storage at Fujairah

- 19.(C) More than a dozen seemingly derelict aircraft are parked on the north side of the airfield. Aircraft types include Antonov An-26s, Ilyushian IL-76s, and one Lockheed L-1011. Al-Mazroui said that some of the Antonovs and Ilyushian aircraft, owned by Volga Dneper, a Russian cargo airline, were being stored. Other aircraft, which have been abandoned, will be scrapped. Al-Mazroui would like Volga Dnepr to move their stored aircraft to a different airport.
- 20.(SBU) In addition to cargo and passenger service, Fujairah airport has general aviation, including a flight school. Al-Mazroui thought general aviation should be encouraged and expanded.

Biometrics For Airside Access

21.(C) While discussing the use of iris scanning by UAE immigration officers on arriving passengers, al-Mazroui pointed out that Fujairah airport was the first in the UAE to institute biometrics for airport personnel to gain airside access. Access to airside areas of the airport is controlled by fingerprint readers.

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